City of Cincinnati Board of Health Finance Committee

Tuesday, September 17, 2019

Room 324

Ms. Schroder, Chair of the Board Finance Committee, called the September 17, 2019 Finance Committee meeting to order at 3:30 PM.

Roll Call

Members present: Kate Schroder, chair, Amar Bhati, Robert Brown, Dominic Hopson, Melba Moore, Ron Robinson.

Topic	Discussion	Action/Motion
Approval of Minutes	The Committee Chair asked the Committee members if everyone had the opportunity to review the minutes from the last meeting. Motion: That the Board of Health (BOH) Finance Committee approve the minutes of the August 20, 2019 Board of Health Finance Committee Meeting.	Motion: Schroeder Second: Bhati Action: Passed
Review of Contracts for September 24, 2019 BOH Meeting	The Chair began the review of the contracts that will go to the BOH for approval. **Children's Hospital Medical Center (CCHMC)** – This accounts receivable amendment ibetween CCHMC and the CHD's Division of Nursing, Home Health-Community Health Worker Program is to support Cradle Cincinnati's community partnership to improve outcomes for pregnant women, new mothers and their infants. The contract term is from October 1, 2019 – December 31, 2019. The additional dollar amount added to the agreement is $44,749.98. Jill Byrd attended the meeting, walked through the agreement, and answered questions from the Committee. CCHMC would like to extend the current agreement for the 4th quarter, aligning it with the calendar year. As of now, CCHMC legal department is reviewing the contract. There is no concern that CCHMC will modify/eliminate the contract as they were the ones that asked for the extension.	

	Motion: That the Board of Health Finance Committee recommend this amendment to the Board of Health. **Susan Tilgner** – This accounts payable contract is to allow a consultant to facilitate the strategic planning process including the City of Cincinnati Primary Care Board of Governors (CCPC), the Board of Health and employees; complete an updated strategic plan that links to the Community Health Improvement Plan (CHIP) and the Quality Improvement (QI) plan, facilitate the CHIP plan progress using Mobilizing Action Through Planning and Partnerships (MAPP) and complete an updated CHIP that includes a process to track and report progress on implementation. The contract term is from September 9, 2019 to March 31, 2020. The dollar amount is $53,000. Commissioner Moore walked through the agreement and answered questions from the Committee. The consultant was initially engaged for the corrective action plan. It was decided to engage a consultant to review/update the strategic plan for CHIP, review performance management and QI for accreditation, the process for MAPP, and assist the CCPC board on developing its strategic plan. The Chair asked if the contract was based on deliverables rather than time? It is based on deliverables. The Chair asked that the proposal be forwarded to the Committee. Dr. Bhati asked if the Commissioner was happy with her previous work for CHD? Commissioner Moore stated that yes, she was. Ms. Tilgner is a former health commissioner and worked on the FAB accreditation process in Franklin County. Dr. Bhati asked if the Commissioner were comfortable with the timeline? Commissioner Moore stated that even though we are a little behind as the contract had to go through the RFP process, that we should still be able to complete the process by the end of March. If the BOH approves the contract, Ms. Tilgner can be notified and begin work. Mr. Hopson and the Commissioner will meet with her to get her what she needs to get started. Commissioner Moore will develop a timeline for these projects. Motion: That the Board of Health Finance Committee recommend this contract to the Board of Health.	Motion: Schroeder Second: Bhati Action: Passed Motion: Schroeder Second: Brown Action: Passed
Update on Medicaid Cost Report	Mr. Robinson stated that Ms. Li Liu has been working on the Medicaid Cost Report almost exclusively since she arrived at CHD. She is using the template created by Mr. Jim Wimberg prior to his retirement. Mr. Robinson reached out to the Ohio Medicaid program and was given a	

	guidebook to assist with the development of the Cost Report. He also reached out to the accounting firm CHD has on retainer: Clark, Schaefer, Hackett (CSH). The report is due 120 days after the end of our fiscal year: October 31, 2019. 23 reports need to be developed as one is required for each site and the level of detail is very high. Thus far, there have been no issues that have required bringing in CSH. The Chair asked if any of the 23 reports have been completed? They all must be prepared together since they access the same dataset. The Chair asked how much additional revenue will be brought in by completing the report? It will mean somewhere around $3 to $4 million. The Chair asked if we can have someone look at it prior to submitting it and/or if the report can be corrected if errors are found in it after having been submitted? Mr. Robinson stated that CSH said they would review it without charge. The Chair stated that it would be useful to have CSH review the report. Mr. Robinson said that would schedule a meeting with CSH the second week in October. Mr. Robinson stated that we need to improve how we are booking revenue and expenses. There are inconsistencies that need to be removed and the chart of accounts needs to be improved to eliminate the need for manual adjustments. The core is solid, but over time, as CHD has expanded, it has become more cumbersome. The City establishes the chart of accounts that CHD must utilize regardless of how we operate. Fortunately, we are finding tools within the system that we can use to help resolve the situation.	
Fiscal Update	Mr. Robinson stated that employee vacancies means that CHD can no longer keep current on the dashboard as it takes ½ an FTE to maintain it due to all of the manual adjustments it requires. Mr. Robinson would like to move away from the dashboard and use other, more easily produced, reports. He is in the process of identifying what those reports can be. Activity reports may come from EPIC while revenue and billing can be developed by OCHIN. OCHIN already has a preformatted dashboard that was received well from the clinicians. It is also critical that we use a dataset that is consistent and verifiable. There may be errors in the dashboard because of the manual adjustments. The dashboard takes a large amount of time because every month a staff person must extract data from 20 or so reports. The Chair asked if the dashboard could be streamlined. Perhaps the data can be reviewed to determine what is	

	needed monthly and what can be done on a quarterly basis. It is important to track trends so that we can respond in a timely manner. The concern is that we have had some concerning trends in our matrixes for six months and then we stop looking at a dashboard. Mr. Hopson said that we can get account receivable data monthly as it all comes from OCHIN as they manage our billing. The Chair stated that we worked hard to get a dashboard that can be compared month to month. Review most recent dashboard and tell us what you can update month to month relatively easily. Commissioner Moore asked if the meeting with the City's budget director was scheduled? Mr. Robinson stated the meeting was set for Thursday at 11:00. Commissioner Moore suggested that we ask if the Director can inform us as to what programs can be utilized from the CSF system and what the timeline would look like for a new, updated report. Commissioner Moore discussed vacant positions, stating that they are reviewing vacancies needing to be filled, versus the vacancies that are currently open. For example, there are currently positions on 395 that should be shifted to 416. It is time to begin getting ready for the budget process. Now is the time to begin discussions with Council on CHD needs. In addition to filling clinical vacancies, we need one or two positions in environmental health and perhaps some others. Mr. Robinson suggested that the accounts receivable data is consistently reproduceable and that that can be provided to the Committee every month. The medical data for both community- and school-based sites are problematic because we must extract granular data that run in different time frames. We can use EPIC clinical activity data to replace what is currently on the dashboard. Dr. Bhati asked if there are benefits to splitting community- and school-based data? Mr. Robinson stated that there are benefits as it would be preferable to have data based on location. The Chair agrees we should extract the data from EPIC. Mr. Robinson stated that based upon the resources available that investing in the dashboard, as valuable as the data is problematic. There are two issues: 1) it is very labor intensive, and 2) because of the manual manipulation, errors may be creeping into the system. Additionally, there is a concern with items being coded correctly from the beginning. For example, if something needs to be charged to AWL dental and no funds have been encumbered for that code, it may be charged elsewhere. The same is true on the revenue side. It is not as clear and well defined as it	

	needs to be. Have charged his team to ensure that revenue be assigned a specific and unique code and that all expenses for that revenue source be charged against that code. The Chair asked why there may not be revenue in specific codes? Accounts receivable and payable are not part of the budget process. Funds need to be encumbered in advance so when the charge hits, there are funds in that account. Accounts receivable and payable encumber funds based on the previous years' experience. If the budget does not line up with activity from last year, dead ends can be created. The Chair asked why this was not a problem before? Mr. Robinson stated if you are managing the organization at the enterprise level it does not matter where the charges go. What we need is a clean slate. What goes in is clean so what comes out is clean. Ms. Liu will lead this project when she is finished with the Medicaid Cost Report. Should not be difficult. There are tools in CSF to help. Mr. Robinson stated that the Commissioner has alerted the Committee about some budget gaps – FY19 non-personnel expenses were budgeted at $10.5 million, FY20 budget was $8.7 million, creating a $1.8 million reduction in the non-personnel budget. The Chair asked if these are expenses we would incur, but do not have? Mr. Robinson stated that the shortfalls are in areas we cannot eliminate – including OCHIN. We may be able to reduce laboratory and temporary services. Last year we were $1 million over budget on temporary services. The Commissioner and Mr. Hopson reviewed vacant positions and found $1 million from these that can be eliminated and transferred to non-personnel budget. The way our personnel budget is structured, virtually all our positions are coded as one FTE. Most of the positions in our school-based system are 0.8 FTEs. Thus, our approved budget for these positions are overstated by 20 percent. Capturing this budget expense generates $1.5 million that can be moved into the non-personnel budget. CSF will generate a report to show actual revenue and expense compared to budgeted revenue and expense and provide projective and estimated year to date. Moving to this standard reporting format will give us what we need and tracks month after months. The Chair stated that we need to look at monthly account receivable plus visit data plus expenses and revenue – one for clinical operations and one for the rest. Mr. Robinson stated that doing it this way loses us our ability to look at specific sites. Mr. Hopson needs more specific detail and will eventually be asking for a staff person to oversee the revenue cycle in his area. The Chair asked if we could look at sites on a quarterly basis? Mr. Hopson said that quarterly is doable at high level by	

	site. The Chair stated she would like visits by site and revenue and expenses by site on a quarterly basis. Mr. Robinson stated that we are revising the financial report for the 330-cluster grant. In the year-end report for 2018 there were some errors made. The core grant was awarded during 2018, in September the SUD grant was awarded and the quality assurance grant was also awarded mid-year. At the end of the year, following standard practice, we drew down the available money including the SUD and QA portions to not carry anything over. There should have been a carryover for SUD and QA. Just submitted final report on SUD grant. Need to revise the core cluster grant to modify the funding, reporting a reduction of $210,000 to give us a carryover for SUD and QA. HRSA gives us nine months to revise a final report and we are well in that window.	
Review Action Items	*Report back to the Committee on the ways to maximize CPC revenue.* Mr. Hopson included what the CPC requirements are in the packet. There are three area we must be compliant in to participate in CPC. requirements to participate are activity requirements (must meet 100% - in compliance), efficiency measures (must meet 50% - in compliance), quality (must meet 50% - in compliance). Report back from Medicaid on FY 17 – we were in compliance with all matrixes. He just received word that Medicaid would like us to reenroll in CPC. Doing so gives us increased payments for each patient. We do very well on quality matrixes. Struggle with coding. Providers still believe we get paid the same amount regardless of what we do with that patient. Need to code properly. For example, new patients and every annual well visit receive a higher payment. Reached out to OCHIN and Medicare and Medicaid insurers to provide training to our providers. With hypertension you need one code for high, another for low. Same with lab work. We put the information into the system, but it is not sent to insurers. We provide quality care, but it is not reported through our coding. We are looking at bringing on a coder and meeting one-on-one with provider to have them use all diagnoses to have them capture all the revenue. Mr. Brown ask if there is a bias to participate in CPC as opposed to chronic care management? Mr. Hopson stated that Medicare is best to use CCM. Can generate a lot of revenue from CPC. 11 sites are eligible. In 2020 they are rolling out CPC for children, putting us in an excellent position with our school-based program.	

	Ask Voice of Media if they can track tobacco usage demographics. Commissioner Moore sent a message to Ms. Kendrick. She has not heard back yet. *Follow-up with Committee recommendations regard the revenue cycle.* Mr. Hopson stated there are two areas we are seeing going consistently up: days in account receivable, and our percent of accounts receivable over 90 days. Until December 2018 we have a rule in EPIC where the claim was written off automatically if it was older than 6 months regardless of how often we billed. So, our account receivable was always excellent. In December 2018 the rule broke so the numbers crept up. Currently, we do not bill self-pay. We had already started a process to bill self-pay. There is a lot the clean-up before we start to bill self-pay. There are charges in the system from 2012 that have not been assigned to a patient. As we clean up these charges, our days in accounts receivable will increase. EPIC will do send us a statement of cost and do the work for us. Once clean-up complete, we will work with EPIC to create new rules. After three bills the charge will be sent to a collector, but not in a way that would impact someone's credit report. OCHIN will receive all calls and revenue from the patient. There should be no additional charges as OCHIN will keep part of the revenue. The Chair asked is there a way without making extra work that we can compare what it would have been had the rule stayed in place, making sure that people understand why the account receivable is increasing. Mr. Hopson stated that the other issue that is increase is our third-party payors 90 days. This is an internal issue: front desk staff and coding. Create standardized training process for verifying insurance. CareSource is holding claims for over a year. We have to increase pressure as we cannot have claims held for a year. One reason is that someone is credentialed but not at this site. We have been working on it and will improve. *Provide Committee with revenue v. expenses breakdown by department, services, location, etc.* Discussed earlier. Mr. Robinson announced that the court case regarding his hiring has been resolved in favor of the plaintiff meaning his hiring is null and void. He is waiting to hear from the City as to what it means. Mr. Hopson will do his best to carry forward with the three main issues we are working on. Mr. Robinson has every confidence in Ms. Liu – she has a	

	tremendous feel for the system, but the entire team will have to step up and be more attentive to managing the business. Mr. Hopson stated that as no one knew what the outcome would be, that Mr. Robinson started handing things off right way, such as access to systems. Mr. Robinson stated that the it is now up to the City to determine what happens. The Chair stated that she is grateful for Mr. Robinson's work and that she knew he worked tirelessly to improve his department.	

Meeting Adjourned 5:04 p.m.
Next Meeting October 15, 2019 at 3:30 p.m. in room 324
Minutes prepared by Jon Lawniczak